

January 6, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZE THE PUBLIC LIBRARY TO SUBMIT A THIRD CYCLE APPLICATION
FOR LIBRARY BOND ACT MATCHING GRANT FUNDS TO CONSTRUCT
THE LAWDALE LIBRARY PROJECT (2)
(3-VOTES)**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER AND
DIRECTOR OF PUBLIC WORKS THAT YOUR BOARD:**

1. Find that your Board has previously approved and adopted the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for this project in compliance with the California Environmental Quality Act (CEQA).
2. Approve the State third cycle grant application (Attachment 1) requesting State matching funds in the amount of \$7,300,132 (which represents 65% of eligible project costs) and authorize the Chairman of the Board and the County Librarian to sign the application form.
3. Approve the attached Appropriation Adjustment (Attachment 2) in the amount of \$20,000 to fund the additional work required to prepare the new grant application for the project.
4. Authorize the County Librarian, the Director of Public Works and the Chief Administrative Officer to complete and submit all required supporting documents and reports for the grant application.
5. Approve the total grant project budget of \$12,068,662 for the Lawndale Library project.

6. Approve and authorize the Chairman of the Board to sign the attached joint use cooperative agreement (Attachment 4) between the County and the Centinela Valley Union High School District.
7. Approve the resolution (Attachment 5) making certain certifications as required in the Bond Act regulations.
8. Authorize the County Librarian to act as agent for the County, and to conduct negotiations, execute documents, and submit other information as may be required in support of the grant project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On February 11, 2003 your Board approved a grant application for this project under the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000 (Bond Act), and the application was submitted to the State Library for the second grant application cycle deadline of March 28, 2003. Although the Lawndale Library project received a Very Good rating by State reviewers, it was not awarded a grant by the Bond Act Board at its meeting on October 28, 2003. The Public Library has therefore prepared an updated application (Attachment 1) for the third and final Bond Act application cycle. The updated application incorporates changes to reflect comments received from the State reviewers of the previous application, and updated project cost information. Approval of the recommendations will authorize the Public Library to submit a grant application to the State for matching funds in the amount of \$7,300,132 to construct the Lawndale Library project. If approved by your Board, the County Library will submit the grant application and required supporting documents to the State Library for the third and final grant application cycle deadline of January 16, 2004.

Approval of the attached appropriation adjustment (Attachment 2) will fund the additional work required to prepare a new application for the third grant application cycle of the Bond Act program, and to update certain documents to support the new application.

Approval of the recommendations will also authorize the Public Library, Department of Public Works, and Chief Administrative Office to complete and submit various reports and other documents required by the Bond Act regulations to support the grant application. This project will replace the existing 3,203 square feet library facility with a new 17,360 square feet library and associated parking in the Lawndale Civic Center. The existing library is inadequate for the current service population, and is significantly undersized to serve the projected 2020 population of the service area. It is not economically feasible to renovate and expand the existing library due to building and site limitations.

Service improvements at the proposed new library include: a large adult reading area; a homework center and career center; a community meeting room to seat 75 people; a technology training room; a conference room with 10 seats; a small group study room; a young adult area with seating for 10 people and two multimedia listening/viewing stations; a spacious children's area with a dedicated storytelling area for up to 25 people; expanded reference collections; a dedicated room for the Friends of the Library; self-check machines near the front lobby; 37 public access computers; and an expanded collection of 86,250 books and audiovisual materials. If a grant is awarded, the book and materials collection in the existing Lawndale Library will be transferred to the replacement library when it opens, and will be augmented by the purchase of 20,000 additional items. The new library will be built on land in the civic center currently owned by the City of Lawndale which will be augmented by adjacent land owned by the County. The City land will be transferred to County ownership, pursuant to an option agreement with the City of Lawndale approved by your Board on February 11, 2003, if the grant is awarded.

The revised joint use cooperative agreement with the Centinela Valley Union High School District provides for a jointly operated homework center and career center as part of the new library. Approval of this agreement will make the County's grant application eligible for first priority consideration for funding by the Bond Act Board.

If a grant is awarded by the State for this project, we will return to the Board to accept the grant, award necessary contracts to begin the project, and approve any required appropriation adjustment to fund project costs. Notification of a grant award by the State is anticipated by August 2004.

Implementation of Strategic Plan Goals

Approval of this grant application is consistent with the County's Strategic Plan Goal of Fiscal Responsibility since construction of this facility represents an investment in public infrastructure. It is also consistent with the goal of Service Excellence since the proposed new facility will provide improved library service to the residents of the City of Lawndale. Approval is also consistent with the goal of Children and Families' Well-Being because the library will provide educational facilities and programs for enhancing educational/workforce readiness.

FISCAL IMPACT/FINANCING

The net County cost for this project is \$1,604,394. The total project budget for purposes of the grant application is \$12,068,662 which includes an amount of \$3,065,000 for the appraised value of the site, and expenditures of \$99,136 incurred prior to the application date for

architectural plans and drawings. The site value is not an actual cost to the County, but is included in the grant budget and allowed by the State as a credit against the County's local matching funds. The total credit of \$3,164,136 results in a net project cost of \$8,904,526.

Under the Bond Act regulations, the State will reimburse the County \$7,300,132 for 65% of eligible project costs. Eligible costs include site development; design and construction; furniture, fixtures and equipment; and related planning and project management costs. The County is responsible for providing \$4,768,530 which represents matching funds of 35% of eligible costs (\$3,930,840), plus all ineligible costs (\$837,690). Ineligible costs include the purchase of library books and materials, and other costs not allowed as eligible costs under the Bond Act regulations.

The allowable credit of \$3,164,136 (for pre-application costs and appraised value of land) results in a net County cost for the project of \$1,604,394. This net cost will be financed by available Second District capital project funds in the amount of \$1,104,394 and \$500,000 to be received from the City of Lawndale as part of the land transfer agreement. (Attachment 3 provides a summary of all costs associated with this project.)

Operating Budget Impact

The Bond Act commits the County to operate the library for a period of 40 years. If the State approves a grant award for this project, it is anticipated that the new facility will begin operation in November 2007, and funding for annual operating costs will not be required until that time. The annual budgetary cost for operating this new facility is estimated at \$805,000, based on the current cost for staffing, support, facility maintenance and other operating costs that will be required. This represents a net increase of approximately \$350,000 per year over the current annual operating cost for the existing Lawndale Library. The Public Library does not expect to have funds available in its operating budget to pay for the increased annual cost of operating the new facility, and will request additional funding for those costs beginning in Fiscal Year 2007-08.

In addition, one-time start-up costs of \$720,000 are required to purchase the library books and materials to augment the collection in the existing library for the new facility's opening day collection. Funding for the purchase of those materials is part of the ineligible cost portion of the project budget referenced above. This amount is included in the available financing of the total net County costs, and would be required beginning in Fiscal Year 2006-07.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On March 7, 2000 California's voters approved Proposition 14, which established the

California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000, creating a \$350 million State bond program for construction and renovation of library facilities. The Bond Act provides grant funds to local library jurisdictions on a 65% State/35% local matching basis. Grant funds will be awarded on a competitive basis in three separate application and funding cycles, of which the deadlines for the first and second cycles have passed. The deadline for the third and final cycle is January 16, 2004. If approved by your Board, this grant application will be submitted for the third funding cycle. The State is expected to take approximately six to seven months to review grant applications and award grant funds.

The Bond Act regulations require the County to own a site, or have an option to acquire a site, for the proposed project at the time of application. On February 11, 2003 your Board approved an option agreement with the City of Lawndale which meets that requirement. That agreement provides the County with a binding option to acquire land currently owned by the City, by exchanging a County-owned parcel consisting of 29,736 square feet, for a City-owned parcel consisting of 54,450 square feet, for the proposed library project site at no cost to the County. The County-owned parcel to be exchanged for the City-owned parcel currently houses the Lawndale Health Center and the Lawndale Library. The Health Center was closed in October 2002. The library will remain open until the new library is constructed. Exercise of the option by the County is contingent on the award of a grant by the State, and will result in payment of \$500,000 by the City to the County. This amount will be used to finance a portion of the County's net cost for the project.

On February 11, 2003 your Board approved a joint use cooperative agreement with the Centinela Valley Union High School District to provide a jointly operated homework center and career center as part of the proposed library project. The Bond Act and associated State regulations provide first priority consideration for funding of projects where the agency that operates the library and one or more school districts have such a cooperative agreement.

We are, however, submitting a revised version of the joint use agreement (Attachment 4) with the School District to incorporate changes based on the State's comments on the County's projects submitted in the second Bond Act application cycle. These improvements will strengthen the joint use agreement for consideration by the State in the third application cycle. Your Board's approval of the joint use cooperative agreement ensures that the Lawndale Library project grant application will receive first priority funding consideration by the Bond Act Board. The agreement has been approved as to form by County Counsel and approved by the school board for the School District. This joint use program includes: a homework center for elementary and middle school students with six computers and 12 seats; and a career center for middle and high school students with 10 seats and four computers that provide career, educational and resume preparation software.

The Bond Act regulations require that the Board of Supervisors adopt a resolution taking certain actions in support of the County's grant application for this project. These actions include: certification of the project budget; certification of the accuracy and truthfulness of all information submitted in the application form and supporting documents; a commitment to provide the 35% local matching funds; a commitment to provide the supplemental funds necessary to complete the project at the level stated in the library project budget; a commitment to make available the local matching funds and supplemental funds when needed to meet the cash flow requirements of the project; a commitment that the County will operate the completed facility and provide public library direct service; and a commitment to dedicate the facility to public library direct service for a period of 40 years following completion of the project. The attached resolution (Attachment 5) has been approved as to form by County Counsel and conforms to the Bond Act regulations.

ENVIRONMENTAL DOCUMENTATION

On February 11, 2003 your Board found that the Lawndale Library Project will not have a significant impact on the environment with the incorporation of the mitigation measures proposed; approved the final Mitigated Negative Declaration for this project; and adopted the Mitigation Monitoring and Reporting Program (Attachment 6). The prior approval and adoption of this environmental documentation by your Board ensure that the Public Library has met CEQA compliance requirements for the project and is able to submit proof of compliance as part of the grant application as required by the Bond Act regulations.

IMPACT ON CURRENT SERVICES

Existing library service at the Lawndale Library will not be impacted during construction of the new facility if a grant is awarded for this project.

CONCLUSION

The Bond Act provides a unique opportunity to obtain State matching funds for the construction of a new library to serve residents of the City of Lawndale who are not adequately served by the existing undersized and crowded facility. It is therefore requested that your Board approve this grant application which will allow the Public Library to seek construction funds that would not otherwise be available to build a needed library facility at a significantly reduced cost to the County.

Please return an adopted copy of this letter to the Public Library, Department of Public Works, and Chief Administrative Office-Capital Projects Division. In addition, please return the following to the Public Library for further processing: a fully conformed original of the grant application form with original signatures; three fully conformed copies of the joint use cooperative agreement with original signatures; and a fully conformed copy of the Resolution.

Respectfully submitted,

MARGARET DONNELLAN TODD
County Librarian

JAMES A. NOYES
Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

MDT:DF:jm

Attachments

c: County Counsel
Executive Office, Board of Supervisors

78N 392M 11/83

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENTDEPT'S
No.

DEPARTMENT OF Chief Administrative Office

Dec. 18 19x2003

AUDITOR-CONTROLLER,

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

3- VOTE

Sources:

Various Second District Improvements
A01-CP-77044-6014
\$20,000

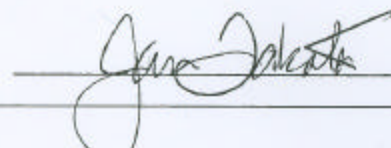
Uses:

LawnDale Library
A01-CP-77481-6014
\$20,000

Justification: This appropriation adjustment provides funding for work related to the Public Library's application to the State for grant matching funds under the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000.

There is no affect on net County cost.

David Jan Takata
Assistant Division Chief



CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF
ADMINISTRATIVE OFFICER FOR—

ACTION

✓

RECOMMENDATION

AUDITOR-CONTROLLER BY

No. 167


DEC. 23 2003

APPROVED AS REQUESTED

AS REVISED

Dec 23 2003


CHIEF ADMINISTRATIVE OFFICER
APPROVED (AS REVISED) BY
BOARD OF SUPERVISORS

19

BY

DEPUTY COUNTY CLERK

LAWNDALE LIBRARY PROJECT			
PROJECT BUDGET SUMMARY (Cycle 3)			
Budget Category	Eligible Costs	Ineligible Costs	Proposed Project Budget
Land Acquisition*	\$ 3,065,000	\$ -	\$ 3,065,000
Plans & Specifications	\$ 395,636	\$ -	\$ 395,636
Plan Check & Jurisdictional Reviews	\$ 51,500	\$ -	\$ 51,500
Construction			
Construction Contract	\$ 4,962,644	\$ -	\$ 4,962,644
Contingency	\$ 397,544	\$ 98,720	\$ 496,264
Total Construction	\$ 5,360,188	\$ 98,720	\$ 5,458,908
Furniture, Fixtures, & Equipment	\$ 1,260,574	\$ -	\$ 1,260,574
Other Consultant Services	\$ 361,628	\$ 18,970	\$ 380,598
Library Materials	\$ -	\$ 720,000	\$ 720,000
Miscellaneous Expenditures	\$ -	\$ -	\$ -
County Services	\$ 736,446	\$ -	\$ 736,446
Total Project Budget	\$ 11,230,972	\$ 837,690	\$ 12,068,662
County Credit**			\$ (3,164,136)
NET PROJECT COST			\$ 8,904,526
* Appraised Value of Land. Detail of County credit shown in County's Funding Obligation below.			
GRANT FUNDING			
Total Eligible Costs	\$ 11,230,972	\$ -	\$ 11,230,972
Total Ineligible Costs		\$ 837,690	\$ 837,690
State Matching Funds (65 percent of Eligible Costs)	\$ 7,300,132		
County Matching Funds (35 percent of Eligible Costs)	\$ 3,930,840		
COUNTY'S FUNDING OBLIGATION			
County Matching Funds (35 percent of Eligible Costs)	\$ 3,930,840	\$ -	\$ 3,930,840
Total Ineligible Costs	\$ -	\$ 837,690	\$ 837,690
Subtotal	\$ 3,930,840	\$ 837,690	\$ 4,768,530
County Credit**	\$ -		
Land Acquisition	\$ (3,065,000)		
A/E Fees	\$ (99,136)		
Total Credit	\$ (3,164,136)		\$ (3,164,136)
NET COUNTY COST			\$ 1,604,394
**Bond Act regulations allow credit for eligible expenditures for architectural plans and drawings incurred prior to application date.			
DF:\CAPITAL\LAWNDALE\ProjectBudgetSummary1(Cycle 3).xls DF:rev 12/18/03			

RESOLUTION OF THE LOS ANGELES COUNTY BOARD OF SUPERVISORS

LAWNDALE LIBRARY PROJECT

WHEREAS, on March 7, 2000, California's voters approved Proposition 14, which established the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000 ("Bond Act") creating a \$350 million State bond program for construction and renovation of library facilities; and

WHEREAS, the Bond Act provides grant funds on a 65% State/35% local matching basis with all grant awards being made on a competitive basis; and

WHEREAS, the County of Los Angeles ("County") desires to apply for Bond Act funds for the construction of the Lawndale Library project, and has prepared a grant application, with all required supporting documents, to submit for the third grant application cycle deadline of January 16, 2004; and

WHEREAS, the Bond Act provides first priority consideration for funding of projects where the agency that operates the library and one or more school districts have a cooperative agreement, and the County has negotiated such a cooperative agreement with the Centinela Valley Union High School District; and

WHEREAS, the State has adopted certain regulations governing the application process to obtain Bond Act funds, which regulations require a resolution adopted by the Board of Supervisors to accompany the County's grant application; and

WHEREAS, this resolution complies with the requirements of the State regulations for a Bond Act grant application;

NOW, THEREFORE, BE IT RESOLVED that pursuant to Section 19985 *et seq.* of the Education Code of the State of California, the Board of Supervisors of the County of Los Angeles does hereby certify the following:

1. The County will provide local matching funds in the amount of \$3,930,840 as identified in the library project budget, including the amount of \$3,164,136 to be credited towards the local matching funds for acquisition of land and architect fees for plans and drawings.
2. The County will provide supplemental funds in the amount of \$837,690 necessary to complete the project at the level stated in the library project budget.

3. The County will make available the local matching funds and supplemental funds specified in the library project budget when needed to meet the cash flow requirements of the project.
4. The County certifies the project budget of \$12,068,662 contained in the library project budget section of the application form.
5. The County certifies the accuracy and truthfulness of all information submitted in the application form and the required supporting documents.
6. The County will operate the completed facility and provide public library direct service.
7. The County will dedicate the facility to public library direct service use for a period of 40 years following completion of the project, regardless of any operating agreements with other jurisdictions or parties.

The foregoing resolution was on the _____ day of _____, 2004, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of the County of Los Angeles Public Library.

VIOLET VARONA-LUKENS
Executive Officer-Clerk of the Board of Supervisors
of the County of Los Angeles

Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By: _____
Deputy